



General Assembly

February Session, 2006

***Raised Bill No. 660***

LCO No. 3148

\*03148\_\_\_\_\_ET\_\*

Referred to Committee on Environment

Introduced by:  
(ET)

***AN ACT CONCERNING CLEAN CARS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2006*) As used in sections 2, 5  
2 and 6 of this act:

3 (1) "Authorized emergency vehicle" means authorized emergency  
4 vehicle, as defined in section 14-1 of the 2006 supplement to the  
5 general statutes;

6 (2) "Full fuel cycle emissions" means emissions associated with the  
7 production and distribution of the fuel consumed by a motor vehicle  
8 plus emissions from operation of the motor vehicle;

9 (3) "Motor vehicle" means motor vehicle, as defined in section 14-1  
10 of the 2006 supplement to the general statutes, except that for purposes  
11 of this section, motor vehicle is limited to vehicles with gross vehicle  
12 weight rating, as defined in said section 14-1, of ten thousand pounds  
13 or less;

14 (4) "Unadjusted vehicle purchase price" means the actual sales price  
15 of a new motor vehicle, not reduced by the value of any vehicle or

16 other property exchanged by the buyer in connection with the  
17 purchase; and

18 (5) "Greenhouse gas" means greenhouse gas, as defined in section  
19 22a-200 of the 2006 supplement to the general statutes.

20 Sec. 2. (NEW) (*Effective October 1, 2006*) (a) Not later than July 1,  
21 2007, the Commissioner of Revenue Services shall adjust the sales tax  
22 imposed pursuant to section 12-408 of the general statutes on the  
23 unadjusted vehicle purchase price for a motor vehicle with a model  
24 year of 2008 or later in accordance with the following, except as  
25 provided in subsections (c) to (e), inclusive, of this section:

26 (1) Motor vehicles with more than zero and less than or equal to  
27 three hundred ninety-two grams per mile of full fuel cycle emissions of  
28 greenhouse gas, shall receive a sales tax adjustment of negative three  
29 per cent;

30 (2) Motor vehicles with more than three hundred ninety-two and  
31 less than or equal to four hundred thirty-two grams per mile of full  
32 fuel cycle emissions of greenhouse gas shall receive a sales tax  
33 adjustment of negative two per cent;

34 (3) Motor vehicles with more than four hundred thirty-two and less  
35 than or equal to four hundred sixty-seven grams per mile of full fuel  
36 cycle emissions of greenhouse gas shall receive a sales tax adjustment  
37 of negative one per cent;

38 (4) Motor vehicles with more than four hundred sixty-seven and  
39 less than or equal to five hundred twenty-five grams per mile of full  
40 fuel cycle emissions of greenhouse gas shall not receive a sales tax  
41 adjustment;

42 (5) Motor vehicles with more than five hundred twenty-five and less  
43 than or equal to six hundred five grams per mile of full fuel cycle  
44 emissions of greenhouse gas shall receive a sales tax adjustment of an  
45 additional one per cent;

46 (6) Motor vehicles with more than six hundred five grams and less  
47 than or equal to six hundred sixty grams per mile of full fuel cycle  
48 emissions of greenhouse gas shall receive a sales tax adjustment of an  
49 additional two per cent;

50 (7) Motor vehicles with more than six hundred sixty grams per mile  
51 of full fuel cycle emissions of a greenhouse gas shall receive a sales tax  
52 adjustment of an additional three per cent.

53 (b) The Commissioner of Environmental Protection may adopt  
54 regulations, in accordance with the provisions of chapter 54 of the  
55 general statutes, to adjust the sales tax adjustment schedule in  
56 subsection (a) of this section based on anticipated changes in motor  
57 vehicle sales or greenhouse gas emissions or as necessary to assure that  
58 the revenue from the adjustment is sufficient to carry out subdivisions  
59 (4) and (5) of subsection (a) of this section. The Commissioner of  
60 Environmental Protection shall determine the full cycle emissions of  
61 greenhouse gas for each motor vehicle subject to this section. The  
62 Commissioner of Environmental protection shall biannually furnish  
63 the Commissioner of Revenue Services with said information. In  
64 calculating motor vehicle greenhouse gas emissions for purposes of  
65 this section, the commissioner shall rely on available data regarding  
66 motor vehicle greenhouse gas emissions or data from the federal  
67 government regarding motor vehicle greenhouse gas emissions. If the  
68 commissioner determines that such data is not available or that it is not  
69 practicable to use such data, the commissioner may rely on an  
70 alternative methodology for calculating the greenhouse gas emissions  
71 rate for each new motor vehicle certified for sale in the state.

72 (c) For a motor vehicle with a model year of 2009, the amounts of  
73 full fuel cycle emissions of greenhouse gas that designate the  
74 thresholds of the greenhouse gas sales adjustment categories shall be  
75 reduced by two per cent, if by July 1, 2008, the Commissioner of  
76 Environmental Protection has not made an adjustment pursuant to  
77 subsection (a) of this section. For a motor vehicle with a model year of

78 2010 or later, the amounts of full fuel cycle emissions of greenhouse  
79 gas that designate the thresholds of the greenhouse gas sales  
80 adjustment categories shall be further reduced by two per cent, if by  
81 July 1, 2008, the Commissioner of Environmental Protection has not  
82 made an adjustment pursuant to subsection (c) of this section.

83 (d) A motor vehicle with a gross vehicle weight rating of more than  
84 eight thousand five hundred pounds but not more than ten thousand  
85 pounds for which the Commissioner of Environmental Protection  
86 finds that sufficient data is not available to calculate full fuel cycle  
87 emissions of greenhouse gas shall be deemed to be a high emissions  
88 vehicle and assessed a motor vehicle greenhouse gas sales adjustment  
89 of an additional three per cent.

90 (e) The Commissioner of Environmental Protection and the  
91 Commissioner of Motor Vehicles shall maintain an updated list of the  
92 sales tax adjustments imposed pursuant to this section on their  
93 Internet web site.

94 (f) The Commissioner of Motor Vehicles shall annually prepare and  
95 distribute an updated list of motor vehicles subject to the sales tax  
96 adjustments imposed pursuant to this section and distribute it to  
97 motor vehicle dealers.

98 (g) The provisions of this section shall not apply to those motor  
99 vehicles exempt from sales tax as provided in section 12-412 of the  
100 2006 supplement to the general statutes, authorized emergency  
101 vehicles, or cargo vans or passenger vans that seat ten or more  
102 passengers.

103 (h) On or before January 1, 2009, an owner of a new motor vehicle  
104 that is registered as a commercial or combination vehicle, and that is  
105 used in a business corresponding to the North American Industry  
106 Classification System codes beginning with 11, 23 or 45, with annual  
107 gross revenue of less than twenty million dollars, may claim a refund  
108 of any additional sales tax adjustment imposed pursuant to this section

109 of not more than one thousand dollars.

110 (i) Dealers authorized to issue motor vehicle registrations pursuant  
111 to section 14-12 of the 2006 supplement to the general statutes, as  
112 amended by this act, shall include in the bill of sale for motor vehicles  
113 subject to this section a line item denoting the dollar amount of any  
114 sales tax adjustment pursuant to this section.

115 (j) The Commissioner of Motor Vehicles shall provide to the  
116 Commissioner of Environmental Protection any data requested by the  
117 Commissioner of Environmental Protection as necessary to carry out  
118 his or her duties under this section. Such data shall not include any  
119 personally identifiable information.

120 Sec. 3. Subsections (b) and (c) of section 14-12 of the 2006  
121 supplement to the general statutes are repealed and the following is  
122 substituted in lieu thereof (*Effective October 1, 2006*):

123 (b) To obtain a motor vehicle registration, except as provided in  
124 subsection (c) of this section, the owner shall file in the office of the  
125 commissioner an application signed by him and containing such  
126 information and proof of ownership as the commissioner may require.  
127 The application shall be made on blanks furnished by the  
128 commissioner. The blanks shall be in such form and contain such  
129 provisions and information as the commissioner may determine. Any  
130 person who is registering a motor vehicle due to a new purchase shall  
131 submit evidence that the sales tax for the motor vehicle was adjusted in  
132 accordance with the provisions of section 2 of this act.

133 (c) The commissioner may, for the more efficient administration of  
134 the commissioner's duties, appoint licensed dealers meeting  
135 qualifications established by the commissioner pursuant to regulations  
136 adopted in accordance with the provisions of chapter 54, to issue new  
137 registrations for passenger motor vehicles and motorcycles, campers,  
138 camp trailers or trucks with a gross vehicle weight up to and including  
139 twenty-six thousand pounds when they are sold. The commissioner

140 shall charge such dealer a fee of ten dollars for each new dealer issue  
141 form furnished for the purposes of this subsection. A person  
142 purchasing a motor vehicle or motorcycle from a dealer so appointed  
143 and registering the motor vehicle or motorcycle pursuant to this  
144 section shall file an application with the dealer and pay, to the dealer, a  
145 fee in accordance with the provisions of subsection (a) or (b) of section  
146 14-49, as amended. The dealer shall submit evidence to the  
147 commissioner that the sales tax for the motor vehicle was adjusted in  
148 accordance with the provisions of section 2 of this act for each  
149 registration issued pursuant to this subsection. The commissioner shall  
150 prescribe the time and manner in which the application and fee shall  
151 be transmitted to the commissioner.

152 Sec. 4. (NEW) (*Effective October 1, 2006*) Not later than January 1,  
153 2009, the Department of Environmental Protection, in consultation  
154 with the Governor's Steering Committee on Climate Change, shall  
155 conduct a study to determine the motor vehicle greenhouse gas  
156 emission reductions necessary to meet the goals of section 22a-200a of  
157 the general statutes. Not later than January 1, 2007, the department  
158 shall report its findings, accompanied by any recommended legislative  
159 revisions, to the joint standing committee of the General Assembly  
160 having cognizance of matters relating to the environment.

161 Sec. 5. (NEW) (*Effective October 1, 2006*) (a) There is established the  
162 clean air health risk reduction account, which shall be a separate  
163 nonlapsing account within the Special Transportation Fund.  
164 Investment earnings credited to the assets of the account shall become  
165 part of the assets of the account. The net revenues generated by the  
166 sales tax adjustment schedule established pursuant to section 2 of this  
167 act shall be deposited into said account. Disbursements under said  
168 schedule shall be paid from said account. The clean air health risk  
169 reduction account shall be used for the administration of the  
170 provisions of this section and sections 2 and 6 of this act.

171 (b) During the fiscal years ending June 30, 2008, and June 30, 2009,

172 the first one million dollars of any funds expended by the clean air  
173 health risk reduction account, net of administrative and public  
174 education program expenses, shall be dedicated to reducing emissions  
175 from school buses, through retrofitting such buses with emissions  
176 control equipment or replacing such buses with low emissions models.

177 (c) The Commissioner of Environmental Protection shall establish a  
178 competitive process for awarding grants from the clean air health risk  
179 reduction account. The commissioner, shall award not less than one  
180 million dollars per year to fund projects to reduce harmful emissions  
181 of fine particles, nitrogen oxides, volatile organic compounds, sulfur  
182 dioxide, and other harmful air pollutants. The process shall give  
183 priority to those projects with the greatest expected positive effect on  
184 the public health of the state's residents per dollar expended, among  
185 other criteria to be developed by the commissioner. Projects that are  
186 eligible for said grants include, but are not limited to: (1) Emissions-  
187 reducing retrofit projects for on-road or nonroad diesel engines; (2)  
188 emissions-reducing repowering projects for on-road and nonroad  
189 diesel engines; (3) purchase and use of emissions reducing retrofits for  
190 on-road or nonroad diesel engines; (4) accelerated changeover of fleets  
191 to cleaner running vehicles; (5) emissions-reducing technology for  
192 stationary sources impacting residential neighborhoods; (6)  
193 changeover to cleaner burning fuels; and (7) installation of equipment  
194 and other programs to reduce idling of diesel engines.

195 Sec. 6. (NEW) (*Effective October 1, 2006*) (a) The Commissioner of  
196 Environmental Protection, in consultation with the Commissioner of  
197 Motor Vehicles, shall establish a public education program regarding  
198 the sales tax adjustments pursuant to section 2 of this act. This  
199 program shall also include the dissemination of information about the  
200 environmental impact of greenhouse gas emissions from motor  
201 vehicles and the impact of vehicle choice on vehicle greenhouse gas  
202 emissions.

203 (b) The Commissioner of Environmental Protection may work with

204 motor vehicle dealers to determine whether a voluntary labeling and  
 205 information program should be a component of the public education  
 206 program required by subsection (a) of this section and, if so,  
 207 implement such a program with the assistance of the motor vehicle  
 208 dealers.

209 Sec. 7. Subdivision (115) of section 12-412 of the 2006 supplement to  
 210 the general statutes is repealed and the following is substituted in lieu  
 211 thereof (*Effective October 1, 2006*):

212 (115) On and after October 1, 2004, [and prior to October 1, 2008,]  
 213 the sale of any passenger car utilizing hybrid technology that has a  
 214 United States Environmental Protection Agency estimated highway  
 215 gasoline mileage rating of at least forty miles per gallon.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	New section
Sec. 2	<i>October 1, 2006</i>	New section
Sec. 3	<i>October 1, 2006</i>	14-12(b) and (c)
Sec. 4	<i>October 1, 2006</i>	New section
Sec. 5	<i>October 1, 2006</i>	New section
Sec. 6	<i>October 1, 2006</i>	New section
Sec. 7	<i>October 1, 2006</i>	12-412(115)

***Statement of Purpose:***

To implement a sales tax adjustment program for motor vehicles according to the amount of greenhouse gas emissions generated from the motor vehicle and to make the sales tax exemption for certain hybrid motor vehicles permanent.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*